

MAKING A DIFFERENCE FOR AMERICA'S MANUFACTURERS

The NIST Manufacturing Extension Partnership is a nationwide system of resources, transforming manufacturers to compete globally, supporting greater supply chain integration, and providing access to technology for improved productivity. At the heart of MEP are manufacturing extension centers locally positioned throughout the U.S. and Puerto Rico to address the critical and often unique needs of America's manufacturers.



**MEP • MANUFACTURING
EXTENSION PARTNERSHIP**

NIST
**National Institute of
Standards and Technology**
U.S. Department of Commerce

Manufacturing: Vital to the U.S. Economy

- Manufacturing accounts for 12% of the nation's gross domestic product (GDP)
- Factory jobs account for 10% of the total U.S. nonfarm employment
- Manufacturing jobs pay more on average, and provide better benefits
- Small manufacturers represent 99% of all manufacturing establishments
- Between 2001 and 2007, manufacturing productivity grew at a much faster pace than total nonfarm business

The U.S. Manufacturing Sector is Facing Challenges

- The decline in manufacturing employment has been accelerating in recent years
- Manufacturing's share of GDP has dropped
- Productivity gains have decelerated
- The U.S. is increasingly importing manufactured goods

The Challenge for Small Manufacturers: Bridging the Productivity Gap

As critical as small manufacturers are to the economy, the productivity gap between large and small firms has widened. Between 1992 and 2002, value-added per employee for large manufacturers grew by 41.6 percent versus 35.3 percent for small manufacturers.[†] And, as large manufacturers increase their dependence on suppliers for parts and services, the performance and capabilities of small manufacturers become even more critical to the competitiveness of all manufacturers and to the health of the U.S. economy. Yet, according to a National Research Council report, "Many of these small firms, however, are operating far below their potential. Their use of modern manufacturing equipment, methodologies and management practices is inadequate to ensure that American manufacturing will be globally competitive."^{***}

Limited budgets, lack of in-house expertise, and lack of access to the newest technologies are but a few of the significant barriers faced by small manufacturers – barriers that they can overcome by working with MEP.

([†] Bureau of Labor Statistics, ^{**} US Census Bureau, ^{***} National Academy of Sciences)

How MEP is Making a Difference

31,961 Manufacturers served in FY2008

MEP has completed nearly 392,000 customer engagements since the program's inception including technical assistance projects, training programs, networking events and long-term strategic support.

MANUFACTURING EXTENSION CENTERS

MEP is a national system of affiliated manufacturing extension centers and field offices located throughout all 50 states and Puerto Rico. Created in 1988, today's system delivers services to firms across the country and in Puerto Rico. Centers are funded by federal, state, local and private resources to serve small manufacturers.

Each center works directly with area manufacturers to provide expertise and services tailored to their most critical needs, which range from lean manufacturing and worker training to business practices and implementation of technology innovations. MEP provides the solutions manufacturers need utilizing the expertise of both center staff and outside consultants. Centers often work with small firms to overcome barriers in locating and obtaining private-sector resources. As the needs of manufacturers change, MEP tailors the services it offers to reflect these changes. The recent introduction of growth services products is an example of this type of new service.

PARTNERSHIPS

MEP provides manufacturers with access to a wealth of tools, techniques and other resources through thousands of public and private affiliations. Initiatives with the U.S. Departments of Labor, Defense, and Energy; EPA; SBA; the State Science and Technology Institute; the National Association of Manufacturers; state and local employment training organizations; and hundreds of universities and community colleges are a few examples of how MEP leverages public and private resources to make a comprehensive range of technical services available to small manufacturers.

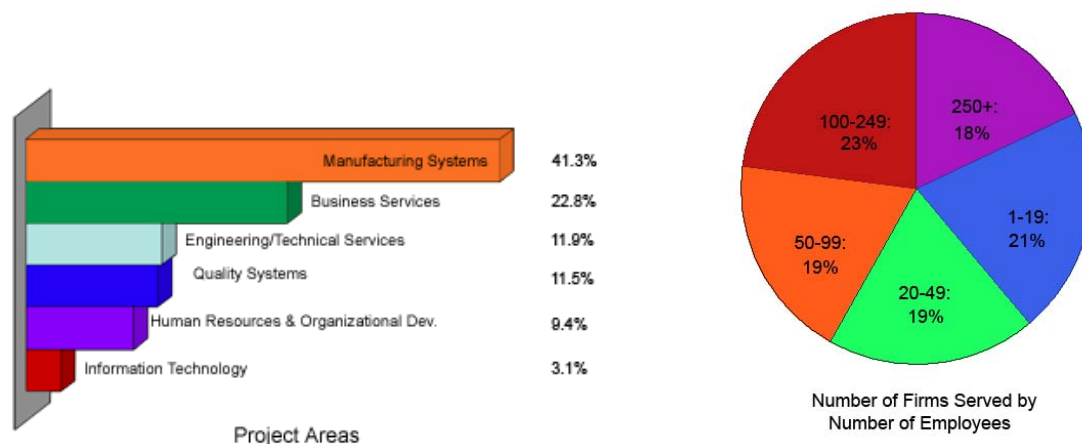
Each year, MEP collaborates with thousands of manufacturers to solve problems, to increase productivity and to achieve higher profits. Through continuous assessment and improvement of our products, services and service-delivery approaches, MEP is committed to meeting the strategic needs of manufacturers in today's globally competitive market.

RESULTS: WHAT THE DATA SHOW

31,961 Manufacturers served in FY2008

MEP has completed nearly 400,000 customer engagements since the program's inception including technical assistance projects, training programs, networking events and long-term strategic support.

FY2007 Activity Data



FY 2007* MEP CLIENT IMPACTS AS A DIRECT RESULT OF MEP ACTIVITIES

Increased/Retained Sales		\$10.5 billion
New Sales	\$5.60 billion	
Retained Sales	\$ 4.88 billion	
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Cost Savings		\$1.44 billion
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New Client Investment in Modernization		\$ 2.19 billion
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Jobs Created		17,316
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Jobs Retained		39,763

* Independent follow-up of clients with projects completed in FY2007. Of the 6,679 clients selected to be surveyed, 5,981 completed the survey in FY2008. Measures are a conservative snapshot of benefits. Recurring or cumulative benefits may be larger.

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